

A Proposal for a Committee Bill for Property Reappraisal Mitigation

A law generally revising tax laws along the following concepts:

1. Tax rates for Class 3, 4 and 10 would be decoupled but designed to effect revenue neutrality within each class.
2. The tax rate on Class 4 will be set at 3.0%.
3. The homestead exemption will remain in the vicinity of 34%.
4. The comstead exemption will be adjusted as necessary after the model is built and refined with the goal of using the same exemption rate as the homestead depending on the results of the new model.
5. That an exemption will be allowed as a percentage against the taxable value for a primary and an associated residence occupied cumulatively for 7 months or more a year. This exemption will also be available for residential rental property. Use of this exemption will require an annual application and sufficient protections to prevent abuse.
6. That the exemption against taxable value be phased in over a six year period to offset a phase in of increased taxable value also phased in over a six year period.
7. That the next reappraisal cycle be a 4 year cycle, with an interim two year sales assessment ratio analysis to allow the next legislature to examine changes in valuation.
8. That the Elderly Homeowner/Renter Credit, the Property Tax Assistance Program and the DAV Property Tax Exemption Program be combined and replaced with a single circuit breaker income tax credit to be established after the phase in model is built and refined with the goal of increasing the funding for the credit depending on the results of the new model. The combined circuit breaker credit should be structured so that taxpayers will be able to apply for the credit without expert assistance.